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Towards global partnerships

Enhanced cooperation between the United Nations and all relevant partners, in particular the private sector**

Report of the Secretary-General

Summary

In its resolution 70/224, the General Assembly outlined recommendations for enhancing cooperation between the United Nations and the private sector, recognizing that achieving the 2030 Agenda for Sustainable Development would require greater engagement of business. Already three years into the journey to achieve the 2030 Agenda, the United Nations must urgently rise to the challenge of unlocking the full potential of collaboration with the private sector and other partners. There is strong consensus throughout the United Nations system that achieving the Sustainable Development Goals requires a significant scaling up of alliances and partnerships, in particular with the private sector. It is also widely acknowledged that greater efforts and stronger system-wide coordination are required to achieve that objective. Throughout the United Nations system, partnership approaches are evolving towards deeper and more strategic collaboration, focusing on innovation, scalability and impact. To sustain and accelerate those positive developments, there is a need to pivot further towards partnerships that more effectively leverage private sector resources and expertise. The United Nations is also seeking to serve increasingly as a catalyst for a new wave of financing and innovation needed to achieve the Sustainable Development Goals, constituting an important evolution in and transformation of its role in the years ahead. In support of such a transformation, the present report outlines recommendations to facilitate a stronger system-wide approach to partnerships that will enhance the impact of collaboration with the private sector and accelerate progress in realizing the 2030 Agenda.

* A/73/150.

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I. Introduction

1. Pursuant to a decision of the seventy-second General Assembly to defer, on an exceptional basis, consideration of the agenda item entitled "Towards global partnerships" and to include it in the provisional agenda of its seventy-third session, the present report is submitted as an update of the report submitted in compliance with General Assembly resolution 70/224. The report builds on previous reports of the Secretary-General on cooperation between the United Nations and relevant partners (A/56/323, A/58/227, A/60/214, A/64/337, A/66/320, A/68/326 and A/70/296).

2. As reflected in Sustainable Development Goal 17, the 2030 Agenda can only be realized with a strong commitment to partnerships at all levels between governments, the private sector, civil society and others. Similarly, the historic Paris Agreement reached in 2015 united the global community with an ambitious plan to combat climate change and adapt to its effects. Unprecedented levels of interest and commitment from a wide range of stakeholders, including responsible business leaders, is reinforcing efforts by Member States to accelerate climate action.

3. In the compilation of the present report, two principal strands of research were conducted. First, two surveys were conducted to gather system-wide input from 39 participating United Nations entities. In one survey, senior management was canvassed in order to identify and explore the views of the United Nations system on partnership challenges and opportunities. In the second survey, staff from across the system were canvassed in order to gather on-the-ground views regarding partnership practices and identify needs and opportunities with regard to enhancing capacity, coherence and impact. In the second strand, in-depth interviews were conducted with United Nations partnership practitioners and, in some cases, their business partners to explore emerging best practices in the development and management of partnerships and the measurement of impact. Drawing on those data-driven insights and candid reflections, the present report is an attempt to map a robust, evidence-based path towards system-wide transformations that could increase the scale and enhance the impact of collaboration between the United Nations and the private sector and thereby accelerate progress on the 2030 Agenda.

4. The focus in the present report, as in those that preceded it under the same agenda item, is on partnerships between the United Nations and the private sector. Many of the trends, insights and recommendations outlined herein, however, are applicable to all forms of partnership between the United Nations and other actors.

II. Scaling up partnership impact to achieve the 2030 Agenda for Sustainable Development

A. Increasing private sector engagement for greater results

5. According to data contributed by United Nations entities to the present report, more than 1,500 partnerships with business are under way throughout the United Nations system. Bilateral partnerships dominate; more than half of the reported partnerships involve only one company. Short-term collaboration remains the norm, with 79 per cent of all such United Nations-business partnerships reportedly lasting less than five years. As the data suggests, more concerted efforts may be required to develop models for business partnership on a greater scale, including models designed to better engage multiple partners over an extended period of time, measure impacts more systematically and advance the 2030 Agenda more effectively.

6. The consensus among United Nations entities is that new alliances and partnerships will be critical to achieving the 2030 Agenda and that the private sector

is key to boosting United Nations capacity to deliver on the Sustainable Development Goals. In most entities, it is agreed that achieving the Goals will not be possible without significantly scaling up partnerships between the United Nations and business. It is also broadly recognized, however, that the United Nations is not yet placed to engage business for maximum impact: in only a quarter of United Nations entities is it felt that enough is being done to involve the private sector.

7. Importantly, business leaders share the United Nations view of the tremendous opportunities for increasing business contributions to the 2030 Agenda. Of the more than 1,000 chief executive officers participating in the United Nations Global Compact who were surveyed in 2016, half expressed the belief that the private sector would be the single most important actor in achieving the Goals. They identified partnerships as a key to making an impact: 85 per cent of them stated that cross-sectoral efforts to address global challenges were critical to enabling business to contribute to the achievement of the Goals. That is no doubt also influenced by rapidly changing expectations regarding the role of business in society. Stakeholders, shareholders, governments, consumers and communities are increasingly demanding that companies recognize their shared responsibility for people and the planet. At the same time, while it is felt in most United Nations entities that the Organization must do more to engage the private sector, many business leaders continue to view it as a challenging partner to work with. As corporate interest in partnerships grows, companies have rising expectations of the United Nations.

B. Leveraging comparative advantages for enhanced partnership impact

8. United Nations and business partners agree that together they can achieve greater scale and impact, and advance more sophisticated solutions to common challenges, than by "going it alone". The added value of United Nations-business partnerships that align the core competencies and comparative advantages of all partners is broadly appreciated. The value for companies partnering with the United Nations often lies in the latter's global reach, relationships with local communities around the world, data resources, normative assets and reputation as a capable convener and honest broker. Synergies are being achieved by aligning those strengths with the entrepreneurial and innovative spirit of the private sector. For example, the increased prioritization of partnerships involving technology and telecommunications solutions has driven innovation in the delivery of programmes by leveraging private sector expertise in areas such as digital payment platforms, big data analytics, satellite data mapping, blockchain technology, digital identity and virtual reality.

Box 1

The Office of the United Nations High Commissioner for Refugees and the Vodafone Foundation: instant network schools programme

Since 2013, the Office of the United Nations High Commissioner for Refugees (UNHCR) and the Vodafone Foundation have partnered to enhance the quality of education in refugee camps. The innovation and education teams of UNHCR have made use of Vodafone's technical expertise and core capabilities to co-design the instant network schools programme. The programme provides a holistic solution for the transformation of the classroom into a learning hub, complete with internet connectivity, sustainable solar power, an instant classroom (in-a-box digital classroom especially created for the programme and including tablets, laptop, projector and speaker, 3G modem and batteries), localized digital content and a teacher training programme.

By December 2017, 31 such schools had been deployed, benefiting 62,500 refugee students and 850 teachers in seven camps in the Democratic Republic of the Congo, Kenya, South Sudan and the United Republic of Tanzania. Five more will be deployed by the end of 2018, benefiting an additional 6,000 refugees in the Democratic Republic of the Congo. An independent impact assessment in Kenya and the United Republic of Tanzania found that the programme had significantly improved information and communications technology (ICT) literacy skills among students and teachers and boosted student motivation and teacher confidence.

9. In partnering with the United Nations, the private sector gains access to global and local networks of actors and knowledge that can enhance its ability to pursue new market opportunities that contribute to advancing the Sustainable Development Goals. Recognizing that businesses are increasingly focused on finding partnership opportunities that draw on their core competencies and generate reciprocal value, many United Nations entities are shaping win-win value propositions as part of their efforts to cultivate partnerships. That shift is strategically important, given the continuing evolution of business interests and approaches to sustainability. In 2016, 87 per cent of chief executive officers surveyed stated the belief that the Goals provided an essential opportunity to rethink approaches to sustainable value creation. Leading companies are already seeking ways to drive greater social impact through core business innovations. By investing more in working with the private sector, the United Nations has a great opportunity to accelerate the trend, thereby potentially leading to a dramatic increase in business contributions to the achievement of the Goals.

Box 2

The International Fund for Agricultural Development and Grameen-Intel Social Business: economic growth in rural communities

In 2014, the International Fund for Agricultural Development (IFAD) partnered with Grameen-Intel Social Business Ltd to pilot a programme for providing technical solutions to rural farmers in Cambodia. The company's eAgro suite is a set of mobile apps that enables farmers to reduce costs and increase productivity yields through soil testing and recommendations on seed selection, fertilizer use and pest control. The system is deployed locally by a network of micro-entrepreneurs, who purchase software licences and receive training to provide eAgro consulting services to local farmers. Since the pilot launch in Cambodia, more than 170 trained entrepreneurs have franchised the system and more than 1,650 farmers have been served. Farmers involved have reported 32 per cent higher yields and a 47 per cent higher gross margin than those using traditional practices only. By integrating a commercial model, where beneficiaries pay a small fee for software licencing and call centre queries, the partnership has demonstrated itself to be financially self-sustaining. The company's "no loss, no dividend" principle demonstrates an innovative blend of for-profit and non-profit philanthropic motivation, as any profits derived from the programme are reinvested into the partnership to ensure its long-term sustainability, expansion and growth.

C. Developing partnership approaches to accelerate impact

10. In the view of United Nations entities, there are five keys to accelerating the impact of United Nations-business partnerships:

(a) Moving away from donation-based partnerships, which are expected to become less important in the coming three to five years, and building more strategic business relationships;

(b) Shaping more innovation-based partnerships that leverage core private-sector competencies and technologies;

(c) Increasing the focus on multi-stakeholder partnerships, which are expected to more than double in the coming three to five years;

(d) Connecting and convening a broader range of actors;

(e) Expanding opportunities for engaging micro-, small and medium enterprises in order to achieve greater local impact.

Heightened emphasis on system-wide coherence and coordination, in particular at the local level, and investing in the development of talent to address gaps in partnership skills will be critical for making progress in each of those five key areas.

11. United Nations entities are increasingly shaping projects and their relationships with business less in the hope of attracting philanthropic contributions in the form of cash donations or single financial transactions and more with a view to building deeper, longer-term collaboration with companies on issues of common interest. Fewer than one third of United Nations entities view their relationships with the private sector as based primarily on philanthropic or in-kind donations. Rather, in three-quarters of the entities surveyed, it is believed that partnerships are becoming more strategic.

12. United Nations entities are shifting their portfolios towards partnerships with greater potential for innovation and impact on a larger scale. They expect innovation-based partnerships, leveraging core business capabilities, to become preponderant in the coming three to five years. For example, the United Nations Population Fund (UNFPA), in consultation with the private sector on its strategic plan for the period 2018–2021, has identified ways in which business innovations and technological expertise could advance the Fund's objectives in areas such as data, research and development, new technology, service delivery, e-learning and talent development, logistics, distribution and access to modern family planning. UNFPA and other agencies recognize that creating new, sustainable partnership models that are replicable and scalable requires capitalizing on the unique strengths of the private sector to fill capability gaps in the United Nations, and doing so in a way that focuses on co-creation, joint ownership of programme design and the creation of reciprocal value.

13. It is also recognized in the United Nations system that mobilizing multi-stakeholder partnerships will be critical to complementing government efforts to achieve the Sustainable Development Goals. The frequency of multi-stakeholder partnerships is expected to more than double in the coming three to five years, making them the most common form of partnership entered into by the United Nations. By embedding multi-stakeholder partnerships in the business model of all its entities and pooling system-wide knowledge, expertise, technologies and financial resources with those of relevant partners, the United Nations can reinvigorate its global leadership role as a convenor, conveyor and facilitator of collaboration among a diverse range of actors.

14. One example of a United Nations-driven multi-stakeholder partnership mobilizing action among governments, multilateral organizations, the private sector and civil society is the Every Woman, Every Child initiative. Since 2015, 70 government and more than 200 multi-stakeholder commitments, representing nearly $30 billion, to improving the health of women, children and adolescents have been made by partners in the initiative.

15. More than 7,000 individuals and organizations contributed to the drafting process for the Global Strategy for Women's, Children's and Adolescents' Health (2016–2030).

Box 3
The Connecting Business initiative

Launched at the World Humanitarian Summit in 2016, the Connecting Business initiative is a multi-stakeholder model that actively engages the private sector in disaster risk reduction and crisis preparedness, response and recovery. Thirteen private-sector networks have been established, with operational support provided by the United Nations Development Programme (UNDP) and the United Nations Office for the Coordination of Humanitarian Affairs and technical support from the United Nations Office for Disaster Risk Reduction. The initiative is also helping to better connect the humanitarian and development arms of the United Nations and thereby foster greater collaboration and impact at the local level.

In 2018, the network in Madagascar distributed relief items and helped to improve government information systems in response to tropical cyclones. The network in the Philippines launched the world's first private sector-operated emergency operations centre. Other networks organized information campaigns and simulation exercises, participated in post-disaster needs assessments and policy dialogues, and trained small and medium-sized enterprises in business continuity.

16. Although there is growing interest in the United Nations in strengthening outreach to micro-, small and medium-sized enterprises, cultivating relationships with such firms that can make an impact remains a challenge. Accounting for more than 90 per cent of businesses and between 60 and 70 per cent of employment worldwide, those enterprises play a pivotal role in stimulating economic growth and trade, creating decent jobs, eradicating poverty and improving livelihoods. The importance of their role was recognized by the General Assembly in its resolution 71/279 of 6 April 2017, in which it declared 27 June to be Micro-, Small and Medium-sized Enterprises Day.

17. Although many of the United Nations entities that contributed to the present report acknowledged that their work with micro-, small and medium-sized enterprises was limited or nascent, new partnerships and models for collaboration with them offer important lessons. For example, UNDP and the United Nations Industrial Development Organization (UNIDO) are testing partnership models in which project costs are shared by United Nations and business partners. Unlike partnerships involving larger companies with the resources to cover project costs, it is often critical for the United Nations to cover or co-invest in project costs in order to work with smaller companies and unlock in-kind resources. Another promising pathway involves mobilizing coalitions of small businesses to work together on structural issues, such as access to credit, capacity-building to enable greater market competitiveness and participation in international trade and involvement in policymaking.

Box 4
United Nations Industrial Development Organization: public-private development partnership for virtual reality forestry training

UNIDO and a consortium of small and medium enterprises have partnered to revitalize forest training in the South African Development Community, using a private-sector virtual reality solution proposed by EON Reality that enables the training of forestry workers in chainsaw operations and maintenance handling in a safer environment and with significantly improved learner comprehension in comparison with traditional methods.

UNIDO implemented an evidence-based beneficiary monitoring programme to evaluate the economic and social impact of the training programme on its approximately

200 participants to date. Tablet technology is used to collect demographic data, such as education levels, income, and employment prospects, from participants at course entry and exit. In June 2017, more than 70 per cent of students rated their job situation as better than before the training and more than 40 per cent reported an increase in earnings. Partners also noted changes in their own business or organization as a consequence of involvement in the programme. Most notably, all partners observed an increase in the capacity of their technical staff and in innovation. Building on that success, UNIDO has extended similar training approaches to another province in South Africa and to other sectors, such as water management in Morocco.

III. Translating partnership challenges into opportunities

18. Adapting to a more resource-constrained environment, the United Nations can make a strategic pivot to innovative partnerships that, among other objectives, could be a catalyst for innovative financing and mobilize multi-stakeholder coalitions to advance the 2030 Agenda. It is widely acknowledged in the United Nations system that the Organization is not doing enough to leverage growing private-sector interest in collaboration. It should, therefore, address gaps in partnership skills and coordination and embed partnerships, in particular multi-stakeholder partnerships, in business models throughout the Organization, especially at the local level. That would reinforce recommendations included in the quadrennial comprehensive policy review of operational activities for development of the United Nations system, including with regard to the importance of increasing capacity to engage in results-oriented, innovative national, regional and global partnerships and intensifying collaboration with all relevant stakeholders. Under the Deputy Secretary-General, the United Nations Sustainable Development Group is working to achieve those aims, in particular at the local level, as part of the broader effort to reposition the United Nations development system to deliver on the 2030 Agenda.

A. Driving a strategic pivot towards transformational partnerships

19. As resources become increasingly constrained, United Nations entities may feel pressure to resort to older collaboration models and direct the limited resources available for private-sector partnerships towards fundraising efforts rather than building transformational partnerships, which require greater staff time and resources to develop but have exponentially greater potential to drive progress on the 2030 Agenda. Most of the entities that contributed to the present report acknowledged that their ability to engage in transformational and innovative partnerships is limited by resource constraints and that they are caught between the need to diversify funding sources in the current climate and the desire to build relationships, coalitions and other forms of collaboration designed to influence a broader range of actors and achieve greater, longer-term impact.

20. Nonetheless, the United Nations is striving to be more strategic and agile, focusing limited resources on issues and opportunities where it can be most relevant and effective. Agencies, funds and programmes are becoming more adept at communicating their strategic interests and refining their value proposition for partners. The private sector is also seeking deeper forms of collaboration that align partnership investments with core corporate values and company sustainability objectives. As corporate sustainability reporting and stakeholder expectations of companies have evolved over the last decade, the business case for traditional philanthropic donations to the United Nations has become less compelling for companies than projects or investments in regions where companies have interests and operations. Many companies are looking beyond the traditional profit motive and

anchoring their core business in the creation of value through societal impact. Four out of five chief executive officers surveyed by the Global Compact in 2016 said that demonstrating a purpose-driven commitment to sustainability was already a differentiator in their industries.

21. Against that landscape of converging interests, the United Nations should focus on helping businesses to assume a greater role and responsibility in addressing global and local challenges by embracing fundamentally responsible and sustainable business practices. Working with the United Nations can help companies to embrace the Sustainable Development Goals in a holistic, integrated manner. Although the view of a clear majority of United Nations entities is that cross-sector alliances, networks and partnerships are essential for accelerating progress on the Goals, short-term bilateral partnerships continue to predominate. Resources could be more efficiently deployed and long-term impact maximized by shifting from labour-intensive, bilateral implementation projects to scalable multi-year, multi-stakeholder initiatives in which the United Nations played a greater role as convenor and catalyst.

B. Unlocking innovative financing

22. Achieving the 2030 Agenda requires a significant transformation in the approach of the United Nations to financing. In order to secure the trillions of dollars in investment needed to meet the Sustainable Development Goals, greater effort is required to unlock new financial flows, especially from mainstream institutional investors. It is recognized in the United Nations system that there is a need to go beyond mobilizing private-sector funds for its own work and instead facilitate financial innovations that make use of public and private investment to achieve the goals and reinforce responsible business growth. That was a key theme at the United Nations Private Sector Forum in 2017, where chief executive officers, investors and leaders from government, civil society and the United Nations system explored how to increase collaboration to finance the implementation of the 2030 Agenda.

23. One example is a multidisciplinary action platform of finance practitioners and experts involving the Global Compact and the United Nations Environment Programme (UNEP) Finance Initiative and based on the Principles for Responsible Investment. It aims to develop innovative instruments with the potential to direct private finance to critical sustainability solutions. The platform, focusing on emerging or frontier markets, is creating guidance on impact investment strategies in support of the Sustainable Development Goals, with the aim of improving the risk and return profile of investments and attracting institutional investors.

24. A second example is the Sustainable Stock Exchanges Initiative, involving the United Nations Conference on Trade and Development (UNCTAD), the Global Compact, the UNEP Finance Initiative and also based on the Principles for Responsible Investment. Involving more than 60 partner stock exchanges, the initiative is a peer-to-peer learning platform for exploring how stock exchanges, working with investors, regulators and companies, can enhance corporate transparency, and ultimately performance, on environmental, social and corporate governance issues and encourage sustainable investment.

25. Partnership models in which the primary role and objective of the United Nations is to enable capital flow are already being tested. In 2017, UNDP launched a transformational partnership with TRINE, a company that connects investors with solar power entrepreneurs through a crowd-investment platform. The partnership is expected to raise up to $7 million in private capital loans from individual investors for social enterprise projects aiming to lift 540,000 people in five sub-Saharan African countries out of energy poverty. Using its climate action impact tool, UNDP assesses the impact of each funded project in terms of the Sustainable Development Goals to

enable investors to make informed decisions. UNDP and TRINE are jointly working to secure a guarantee fund to help de-risk investments being made in solar power enterprises in the target markets. Facing increased resource constraints, self-funding or self-sustaining partnership models that make use of new social and environmental finance instruments are of growing interest throughout the United Nations. Nearly half of the entities that contributed to the present report indicated that they were considering projects which could be eligible to issue a green, social impact or development bond; however, much remains to be done to achieve that goal. Similarly, although nearly one third of the entities indicated an interest in undertaking projects eligible for certified carbon offsets, only one has done so. To encourage United Nations entities to launch new innovative financing projects, there is a need to support increased risk tolerance and create safe spaces to learn from failure.

Box 5
United Nations Environment Programme: unlocking innovative financing

In October 2016, UNEP launched the Tropical Landscapes Finance Facility in collaboration with BNP Paribas, ADM Capital and the International Centre for Research in Agroforestry and with the support of the Government of Indonesia. It aims to bring long-term finance to projects and companies that stimulate green growth and improve rural livelihoods in Indonesia by scaling up investment in rural renewable energy production and sustainable commodity production that reduces pressure for forest conversion. On 26 February 2018, a first-of-its-kind $95 million landscape bond was issued to capital markets. The deal was made possible through a partial credit guarantee from the United States Agency for International Development (USAID) on part of the transaction (rated "Aaa" by Moody's) and a long-term offtake agreement by Michelin. Furthermore, the Green Climate Fund Private Sector Facility has short-listed a proposal by UNEP and BNP Paribas under its "Pitch for the Planet" initiative. A full funding proposal, which is under development, could unlock public capital from the Green Climate Fund to be blended with private capital from agricultural businesses and international investors.

C. Addressing gaps in partnership skill sets, integrity and coordination

26. As the United Nations system looks ahead to new partnership models that bring together their core competencies with the core business assets of partners, it has an opportunity to transform and enhance the culture and impact of its collaboration with businesses by addressing skills gaps in the Organization, embedding partnerships in business models and strengthening the integrity, effectiveness and coordination of partnerships.

27. A third of the partnership professionals who shared insights for the present report indicated that a lack of coordination in the United Nations system was one of the most pressing challenges to effective partnership. Although the benefits of increasing inter-agency collaboration on partnerships are recognized, challenges to such cooperation include: inter-agency competition for partners; a lack of common tools and templates; and confidentiality barriers to the disclosure of partner names and partnership details. It is recognized that the United Nations system needs to embrace a more coordinated and less internally competitive approach to partnerships, in particular given the growing opportunities to engage companies in multiple partnerships across the Organization and the urgent need to combat persistent perceptions among many companies of the United Nations as a challenging partner to work with. Multinational companies with diverse global operations may have the ability to and interest in engaging in multiple partnerships simultaneously. Corporate investments in collaboration with the United Nations could be enhanced and scaled

up through more coordinated relationship management across the Organization. The creation recently of the Partnership Results Group as part of the United Nations Sustainable Development Group has the potential to strengthen system-wide coordination and address those bottlenecks.

Box 6
The Food and Agriculture Organization: advancing organizational partnership capabilities

Since 2013, the Food and Agriculture Organization (FAO) has pursued greater engagement with the private sector. The transition of FAO from a historically risk-averse view of partnerships to a risk-managed approach was underpinned by its strategy for partnerships with the private sector of 2013. To institutionalize partnership knowledge, seminars were held and enabling tools and training programmes were created, including a handbook on private sector partnerships, an internal database of lessons learned and best practices and other capacity-building material. At the same time, due diligence processes were streamlined, reducing the time taken for decisions from several months to between two and four weeks and thereby leading to the generation of 120 new partnerships, 80 of them with the private sector. FAO credits the success of the programme to encouragement from the Director General and senior management, which created a positive environment for engaging in those efforts.

28. The capacity of the United Nations to engage in partnerships with business has not kept pace with the growing interest in doing so. A lack of partnership skills within United Nations entities is seen by half of those entities as a significant barrier to effective partnerships. Although the enhancement of resources and skills is widely seen as critical to achieving the 2030 Agenda, the growth of staff teams dedicated to partnerships has slowed in recent years. In only one third of United Nations entities has the number of staff working on business partnerships grown since 2015 and 19 per cent of them reported a reduction. Although partnership capacity is seen as vital, staffing constraints have led some entities to limit their focus to managing existing partnerships and left them unable to develop new strategic relationships.

Box 7
The United Nations Children's Fund: mainstreaming awareness of private sector partnerships at the country level

While the number of staff tasked with private sector partnerships is stable or even decreasing in several agencies, mainstreaming awareness of the role of business stakeholders in advancing the 2030 Agenda in business models across the United Nations can help to sustain and scale up new forms of collaboration. The United Nations Children's Fund has strengthened capacity, recently offering basic training to all staff in India to build awareness, mainstream understanding and promote engagement with business as a way of supporting and advancing children's rights and well-being. Undertaking similar efforts in other agencies, in particular at the country level, could be a constructive way to begin embedding a stronger culture and business model of partnerships across the Organization and accelerate progress on the implementation of the 2030 Agenda.

29. Support from senior United Nations officials is critical. In nearly half of the United Nations entities that contributed to the present report, it is felt that executive leadership and support will be the more important factor in scaling up partnerships. The designation of partnerships as a priority area for the United Nations Sustainable

Development Group to address and the increased emphasis on the role of United Nations resident coordinators in supporting local multi-stakeholder partnerships are two promising developments that could help to ensure that senior management supports partnerships more proactively in the future.

30. In more than three quarters of the United Nations entities that contributed to the present report, it is also felt that legal policies and procedures create significant barriers to scaling up partnerships. That may further entrench perceptions among some companies that partnering with the United Nations presents undue bureaucratic hurdles. Legal staff and partnership practitioners should be given the resources and encouragement necessary to find creative solutions to partnership roadblocks. Ensuring that well-resourced legal teams with a sufficient understanding of partnerships can dedicate time to the subject and promoting better communication between senior partnership practitioners and senior legal experts could help to streamline approaches to establishing and growing new partnerships.

31. While the space for partnership opportunities continues to expand, divergent approaches and standards applied by the United Nations to the selection of business partners and due diligence can lead to decision-making that is inconsistent from one entity to another and undermine the integrity and reputation of the Organization as a whole.

32. As noted by the Secretary-General in his report on "Repositioning the United Nations development system to deliver on the 2030 Agenda" (A/72/684-E/2018/7), increasing private sector partnerships to deliver the Sustainable Development Goals necessarily also involves strengthening system-wide integrity, due diligence and risk management. Measures can include, but are not limited to, acceptance of the 10 principles of the Global Compact as a common partnership standard for private sector entities, common due diligence criteria for engaging various groups of non-State actors and the creation of an integrity task force comprising senior United Nations leadership to manage the risks involved in United Nations-business engagement. Those recommendations were reinforced by similar proposals made by the Joint Inspection Unit in its report of 2017 entitled "The United Nations system — private sector partnerships arrangements in the context of the 2030 Agenda for Sustainable Development" (JIU/REP/2017/8).

33. Most United Nations entities conduct due diligence independently and less than one third of them seek advice from other entities when gathering information on potential corporate partners. Due diligence exclusionary criteria also vary. For example, 61 per cent of United Nations entities exclude companies in the tobacco industry from partnership consideration as a matter of policy, 19 per cent view them as high-risk prospective partners but do not exclude them from consideration and 20 per cent have no policy on the matter.

34. Nonetheless, significant progress has been made through the due diligence working group of the United Nations Private Sector Focal Points on mapping the wide range of integrity practices across the United Nations system, sharing knowledge of good practices and building the case for taking a more common approach to due diligence in policy and practice. To enable informed decision-making in the selection of business partners, the Global Compact facilitates access to two external due diligence research service providers for 18 United Nations entities.

35. The United Nations Sustainable Development Group is exploring how to build on those efforts, recognizing that a more coordinated approach to selecting and engaging responsible business partners could help to safeguard the integrity of the United Nations, meet rising business expectations for a more consistent framework for United Nations engagement and enhance efficiency. More than half of United Nations entities would be willing to consider applying a common due diligence framework and supporting inter-agency sharing of templates for partnership agreements

and memoranda of understanding. Most are also willing to share organizational partnership and due diligence policies, procedures and templates to foster a more consistent approach. Greater support for centralized due diligence research could also help to address inefficiencies arising from due diligence screenings by some entities, relieve pressure on constrained human resources and reduce the risk of perceived or actual conflicts of interest between those evaluating potential partners and those involved in management of the partnership.

36. In its resolution 70/224 of December 2015, the General Assembly requested the United Nations to engage in a more coherent manner with companies that support core United Nations values and commit to Global Compact principles by translating them into operational corporate policies, codes of conduct and management, and monitoring and reporting systems. The General Assembly also called for the implementation of the Guidelines on a Principle-based Approach to the Cooperation between the United Nations and the Business Sector, which were reissued by the Secretary-General in 2015 to serve as a common framework for all United Nations entities and basis for their collaborative efforts with the business sector.

37. Resolution 70/224 and the guidelines constitute a solid policy framework for United Nations agencies, funds and programmes in their efforts to partner with business. More needs to be done, however, to implement the framework and strengthen the integrity, accountability and transparency of United Nations-business partnerships. At present, 80 per cent of United Nations entities verify whether a prospective business partner is a signatory to the Global Compact. One entity makes Global Compact participation a mandatory requirement for partnership and numerous others are considering adopting a similar approach.

38. The Global Compact is a voluntary and not a regulatory initiative, but when a company's highest-level executive publicly commits it to making progress towards the implementation of the 10 principles and to supporting United Nations goals, it signals that it has potential to be a strong long-term partner. Underlining the importance of companies committing to those principles and reporting annually on their progress, otherwise risk expulsion from the initiative, also sends a strong and consistent message to the private sector that the United Nations views responsible business practices, corporate sustainability and public transparency as being of the highest importance.

39. The need for robust integrity and due diligence practices is not limited to partnerships between the United Nations and the business sector. Partnerships involving the United Nations and non-governmental organizations (NGOs), particularly those affiliated with private sector entities, present unique challenges that require the further development of policies and best practices to manage risk. Progress in that regard has been made recently with the development of a draft set of guidelines by the Department of Economic and Social Affairs in consultation with other United Nations partners, which is intended to govern risk management in partnerships involving NGOs affiliated with business entities. Similarly, the Partnership Results Group of the United Nations Sustainable Development Group is exploring how to strengthen risk management in partnerships involving high net-worth individuals.

IV. Measuring and communicating partnership outcomes

A. Barriers to reporting partnership results

40. In previous resolutions of the General Assembly, Member States have made repeated requests for the disclosure of partners, contributions and matching funds for all relevant partnerships, including at the country level. The business guidelines mirror those disclosure and reporting requirements. Nonetheless, comprehensive

reporting of partnership activity involving the private sector remains a challenge. Few United Nations entities meet the full requirements set forth in resolution 70/224. Most fail to publish all their partnership activity in a readily accessible manner. Some report partners and contributions, but not matching funds, and others report partners but provide no detail on the financial dimensions of the partnerships. Still others do not publicly report their partnerships in any consolidated location.

41. Given the multiple formats and varying content of partnership information that is disclosed in online databases, websites and reports, the information is not easily collated to provide a central overview of partnership activity throughout the United Nations system and enable comparison and measurement. Agency headquarters have also noted challenges in maintaining a comprehensive overview of the number and scope of business partnerships occurring across disparate field operations.

42. It has been posited that competition among United Nations entities for corporate partners discourages the publishing of details about business partnerships, in particular the disclosure of the financial elements of a partnership. In some entities, it has been suggested that partners insist on anonymity when making financial contributions, which impedes full disclosure. Practices for capturing the value of in-kind contributions of goods and services also vary significantly; most United Nations entities acknowledge that performance and skills in that area need improvement.

43. Reporting efforts also tend to vary over partnership lifecycles. While more than half of United Nations entities indicated that they always or usually report partnership information at the outset of collaboration, less than half provide further reporting on the partnership throughout its duration. Less than one in five provides any kind of reporting upon the conclusion of partnerships.

44. Efforts to develop common principles for partnership reporting are underway. For example, the Partnership Data for the Sustainable Development Goals initiative, launched by the Department of Economic and Social Affairs, the Global Compact and the United Nations Office for Partnerships (UNOP) at the partnership exchange event held during the high-level political forum on sustainable development in 2016, seeks to bring greater transparency, coherence, impact and comparability to the work carried out by multi-stakeholder partnerships and voluntary initiatives advancing the Goals. The initiative advocates a standardized framework for online platforms that publish partnership information, suggesting that, at least, all platforms should publish information in accordance with the SMART criteria: specific, measurable, achievable, resourced-based and time-bound.

B. Enhancing efforts to measure and communicate partnership impact

45. Sustaining and accelerating progress on the 2030 Agenda depends on the effective measurement of all activities undertaken, across sectors, to realize the Sustainable Development Goals. When it comes to partnerships, there is agreement that the United Nations system must better measure, track and communicate the value of collaboration with the private sector. While nearly three quarters of United Nations entities seek to define reciprocal value propositions for all partners, less than half report capturing robust results and lessons learned from their partnerships. Many United Nations entities admit to challenges in tracking results, in particular where partnerships do not demonstrate a "clear line from A to B" or where the outcome for beneficiaries may take years to determine.

46. United Nations entities also highlight a lack of organizational guidance, standardized methodologies or clear expectations for measuring impact. Partnership evaluation approaches vary widely: half of United Nations entities rarely or never define partnership key performance indicators. Less than one third report evaluating all their partnerships and less than two thirds report evaluating more than half of their

partnerships. Capacity shortfalls were cited as the key obstacle to enhancing the measurement of partnership impact: only one quarter of United Nations entities report having increased their focus on the measurement of impact in the past two years. Without rigorous evaluation criteria and results-based management practices, it is not surprising that nearly half of United Nations entities are unsure whether the expected benefits of partnerships with business are being fully realized.

47. Good practices are, however, beginning to emerge across the United Nations system. Business Call to Action, an initiative launched by UNDP, has established an impact measurement services practice to support its members in measuring and managing their social and environmental impact, along with operational performance. Since 2015, Business Call to Action has worked with 21 inclusive businesses to measure the baseline impact of their business models with a view to scaling up their efforts through access to customer and market insights. In 2018, it launched its free online Impact Lab to support a greater number of companies in their efforts to measure and manage their impact.

48. Taking action in the following four key areas could help to address barriers that stand in the way of capturing and communicating partnership results and to better track the contribution made by partnerships to the implementation of the 2030 Agenda:

(a) Partnership metrics and goals should be defined from the outset to provide clear benchmarks for measuring impact;

(b) A common baseline is needed throughout the United Nations system to set principles and minimum expectations for reporting on partnerships;

(c) Performance management criteria for partnership practitioners should incorporate partnership metrics to reward and encourage best practices;

(d) Strong partnership advocates at all levels of the Organization should be cultivated and should continue to champion collaboration and best practices.

49. It is recognized in the United Nations system that there is a need for a common language and goals for tracking and reporting partnership results. The view in three quarters of the United Nations entities that contributed to the present report is that a common approach to partnership measurement and reporting across the system would enable partnerships on an increased scale and with greater impact. The United Nations-Business Action Hub[2] could serve as a resource-effective mechanism for partnership accountability and coordination. Originally designed to help companies and United Nations entities to explore options for working together, the hub has potential as a central repository for reporting on system-wide partnership activity and impact.

50. Embedding partnerships into performance management criteria for relevant United Nations staff and senior officials could drive a stronger commitment to deliver results, ensuring that partnership discussions are more frequently and meaningfully translated into action and measurable impact. Such incentives will be especially important for scaling up local partnerships. As was noted in the latest quadrennial comprehensive policy review of operation activities for development of the United Nations system and in the report of the Secretary-General (A/72/684-E/2018/7), United Nations resident coordinators and country teams must strengthen support for multi-stakeholder collaboration in order to advance national development needs and priorities and achieve the 2030 Agenda. Global Compact Local Networks in many country settings could work with resident coordinators and country teams to mobilize local entrepreneurs, financial institutions and other private sector actors in such multi-stakeholder efforts to advance national sustainable development priorities.

[2] See https://business.un.org/.

V. Conclusions and recommendations

51. **The 2030 Agenda for Sustainable Development presents an historic opportunity for the United Nations to cultivate new pathways for achieving common societal goals by expanding the scope and impact of collaboration between governments, the private sector, civil society, academia and others. To unlock the full potential of such partnerships, in particular business partnerships, a number of priorities to strengthen accountability and transparency, enhance coherence and capability and advance system-wide collaboration are recommended. United Nations entities should be encouraged to do the following:**

(a) **Embed multi-stakeholder partnerships into their core business models in order to reinvigorate the global leadership role of the United Nations as a convener, conveyor and facilitator of collaboration among a diverse range of actors;**

(b) **Strengthen capacity to engage in innovative partnership models and leverage financing for the 2030 Agenda. The United Nations should prioritize investing in talent development among partnership practitioners and other relevant staff to address current skills gaps. Building support among governments and the leadership of the United Nations system for increased risk tolerance and creating safe spaces to learn from failure will be critical to driving more innovative partnerships and financing models;**

(c) **Cultivate strong advocates of partnership at all levels of the Organization, reward and encourage best practices and drive a stronger commitment to deliver results and partnerships. Related metrics should be integrated into the performance management criteria of the relevant members of staff and management;**

(d) **Address some of the resource limitations and barriers identified in the present report and offer training and awareness-building opportunities for all staff in order to mainstream an understanding of the role of partnerships, in particular multi-stakeholder partnerships and those involving the private sector, in advancing the 2030 Agenda;**

(e) **Reinforce working-level partnership coordination efforts and facilitate stronger system-wide capacity and coherence, building on the efforts of the United Nations Global Compact to coordinate and share knowledge among partnership practitioners through the United Nations Private Sector Focal Points Network. Senior leadership of the United Nations system should meet regularly under the aegis of a mechanism for joint decision-making and knowledge-sharing on partnerships, such as the Partnership Results Group of the United Nations Sustainable Development Group;**

(f) **Ensure that the Office of Legal Affairs of the Secretariat and the legal teams of United Nations entities have the knowledge and expertise necessary to play an enabling role in increasing the scale and impact of partnerships while managing risks, increase investment in legal resources dedicated to supporting partnerships and support cooperation between legal teams and partnership practitioners to address partnership challenges in a creative and collaborative fashion;**

(g) **Safeguard the reputation of the Organization by ensuring that companies working with the United Nations have a proven commitment to doing business responsibly in line with the 10 principles of the Global Compact. In that regard, a centralized due diligence support function should be developed to help United Nations entities, in particular those with limited partnership experience or capacity, to more effectively manage risk and create operational efficiencies;**

(h) Redouble efforts to meet existing expectations for reporting on partnership activity. Agreed common principles for reporting on partnerships and the use of digital platforms such as the United Nations-Business Action Hub to aggregate partnership data in a single repository can contribute to improved monitoring of partnership activities and impact throughout the United Nations. To better track the contributions of partnerships to the implementation of the 2030 Agenda, such data could be compiled in an annual system-wide report with contributions from all United Nations entities partnering with business;

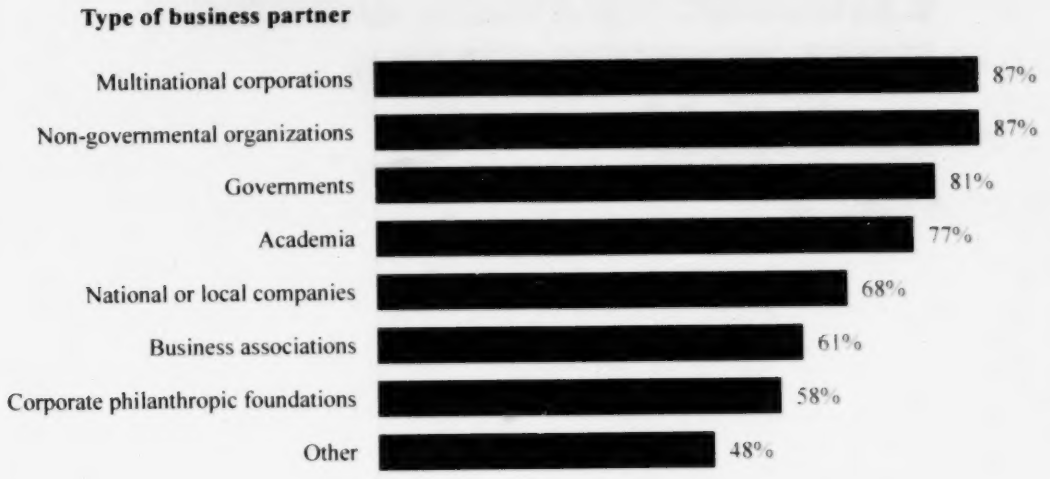
(i) Accelerate progress on the 2030 Agenda at the local level. Global Compact Local Networks and the United Nations system at the country level should continue to strengthen collaboration and coordination. Ongoing efforts to reinvigorate the resident coordinator system provide a unique opportunity in that regard. The interface between resident coordinator offices and support structure for the Networks, where available, should be streamlined and reinforced. Stronger resident coordinator offices are well placed to engage the Networks and the business community in efforts to advance national sustainable development priorities, always relying on and involving relevant entities of the United Nations country team for mandate or sector-specific partnerships. The Networks should, where possible and appropriate, be included in country team planning and coordination.

52. **As the global gateway for partnerships for the Sustainable Development Goals, a reinvigorated UNOP should connect external actors wishing to partner with the United Nations system with the appropriate offices, agencies, funds and programmes. It should also advise the United Nations system on opportunities for meaningful partnership with the private sector, philanthropic institutions, civil society and academia. Without duplicating work on partnerships already in place, UNOP should be an initial entry point and support mechanism for entities seeking to create multisectoral partnerships to achieve the Goals at the global level and, where appropriate, in conjunction with the regional economic commissions and country teams at the regional or national levels.**

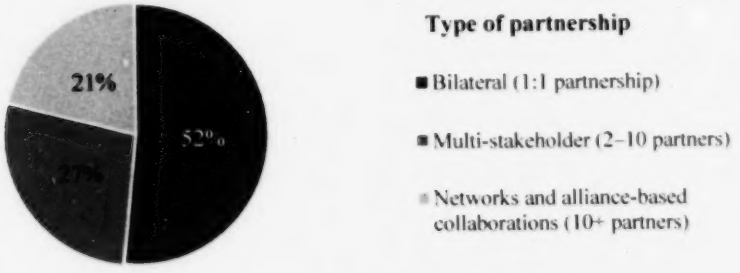
Annex

Types of United Nations system business partners and partnerships, and the average length of business partnerships, as of 2017

A. Percentage of United Nations organizations with each type of business partner



B. Estimated breakdown of types of business partnership, by percentage



C. Average length of United Nations business partnerships